



March 19, 2012

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Scott Rudolph, Terminal Manager  
Kinder Morgan Bulk Terminals Inc.  
Port Newark Terminal  
188 Calcutta Street  
Newark, NJ 07114

Attn: Douglas McKenna, Chief  
Chief, Water Compliance Branch  
Division of Enforcement and Compliance Assistance  
U.S. Environmental Protection Agency, Region 2  
290 Broadway, 20<sup>th</sup> Floor  
New York, NY 10007-1866

2012 MAR 28 AM 11:30  
U.S. ENVIRONMENTAL PROTECTION AGENCY  
DIVISION OF ENFORCEMENT AND COMPLIANCE ASSISTANCE  
NEW YORK, NY 10007-1866

**Re: Administrative Order CWA-02-2012-2015 30 Day Response**

Dear Chief McKenna,

On February 27, 2012, we received an Administrative Order dated February 16, 2012 with ordered provisions required to be carried out by the Kinder Morgan Bulk Terminals, Inc. Port Newark Terminal ("Port Newark Terminal") within 30/60/90 days of the date of receipt of the order. Please see below the ordered provisions and the responses that were required within the 30 day requirement as set out in the Order.

1. Immediately upon receipt of the original copies of this ORDER, a responsible official of Kinder Morgan Bulk Terminals Inc. shall complete and sign the acknowledgement of receipt of one of the originals of the ORDER and return said original to the Chief, Water Compliance Branch, in the enclosed envelope to the address indicated in the ORDER.

*Kinder Morgan submitted a signed acknowledgement to the EPA on February 28, 2012 and received by the EPA on February 29, 2012.*

2. *On or before thirty (30) calendar days of receipt of this ORDER, Kinder Morgan shall submit to EPA written documentation of the actions Kinder Morgan has taken, or will take, to address Items 3 and 4 below, including but not limited to the following*

- a. *Accompanying photo documentation*
- b. *Implementation schedule; and*
- c. *Costs associated with each action*

3. *On or before sixty (60) days of receipt of this ORDER, Kinder Morgan Bulk Terminals Inc. shall implement Best Management Practices ("BMPs") that prevent the discharge of pollutants from the facility.*

4. On or before ninety (90) calendar days of receipt of this ORDER, Kinder Morgan Bulk Terminals Inc. shall;

a. Comply with the provisions of the current NJPDES permit that authorizes the Facility to discharge stormwater associated with industrial activity;

Or,

b. Eliminate stormwater discharges associated with industrial activity from this Facility, as defined in Section 502 of the CWA.

**Response:**

The Port Newark Terminal had applied for an Individual Permit from NJDEP in November 2009; such Permit was issued on February 23, 2012, shortly after receiving the Administrative Order from the EPA. The permit number is NJ0117838. The individual permit becomes effective on April 1, 2012. ***I. Source material exposed to stormwater:***

*Our responses incorporate the items listed on page 4, section B, paragraph 10 of the Administrative Order, where EPA identified the following source material potentially exposed to stormwater.*

- a. *An uncovered salt pile on the north side of Marsh Street, west of Import Street.*
- b. *Waste materials and industrial machinery on the north side of Marsh Street and west of the salt pile; and*
- c. *An uncovered salt pile on the south side of Marsh Street.*

***A. An uncovered salt pile on the north side of Marsh Street, west of Import Street.***

*Please see EPA Picture PB150019*

***Short term schedule of compliance:***

*Salt pile on the north side of Marsh Street will be completely covered with tarps within 60 days of receiving the Order, thereby eliminating contact to stormwater.*

***Long term:***

*We will install a berm to contain a 10 year storm event. Currently, the area to be bermed is filled with salt due to an unusually warm winter. In order to construct a berm, there must be a sufficient working area around the perimeter of the area. Because of the quantity of salt, there is not sufficient working area and it is impossible to move the salt at this time. Further, our customers are not able to sell this material off season and therefore, the pile will not be able to be moved until approximately this time next year. Therefore, Kinder Morgan Port Newark Terminal requests one year from the date of the Order to construct the berm.*

***Costs associated with each action:***

***Costs to manage contact water -*** *Based on the average annual rainfall of 42"/year, with a disposal cost of 10 cents/gallon, the cost to remove and dispose of the approximate 8.5Mgallons/year of stormwater would be ~\$850K, which is economically infeasible.*

***Cost to tarp piles -***

*Tarp Cost Estimate ~50 cents/ton*

*HighbridgeSalt=~40K/tons*

*Total tarping cost=~\$20K*

***Cost to build a containment berm -***

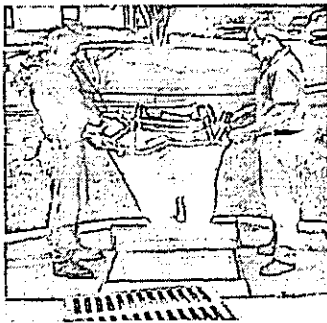
*Approximate cost to installing the berm is \$100K*

*The Port Newark Terminal proposes that during salt season, as the pile is being built and it is uncovered, the stormwater will be contained and managed. Once the salt season is over and the salt pile is completely tarped there will be no contact water, therefore we propose to direct discharge by leaving the berm valve open. In either case, there is no environmental impact and it is financially feasible.*

*In the interim, prior to the Port Newark Terminal being able to construct the berm in this area, certain portions of the pile will be left uncovered on and off through the season as we work the piles to remove the salt from that certain area. We will gradually recede the cover in order to limit contact to the working face. At that time, the Port Newark Terminal will sample as required by our current permit and submit the results monthly according to the DMR. Once the salt is removed from the pad, construction of the berming can begin.*

***B. Waste materials and industrial machinery on the north side of Marsh Street and west of the salt pile.***

***Implementation schedule:*** *The Port Newark Terminal will install a drain filtering device equal or equivalent to the one shown in the picture within 60 days of the date the ORDER was received.*



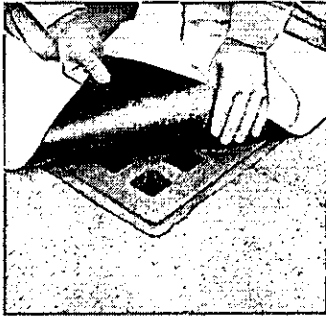
***Cost for drain filters***

*~\$200/ drain filter*

*~6 drains*

*Total=\$1200*

*Kinder Morgan will also have emergency storm drain covers available in areas where heavy equipment is used in the event of a spill.*



***Cost for drain covers***

*~\$150/drain cover*

*~2 emergency drain covers.*

*Total cost=\$300*

***C. An uncovered salt pile on the south side of Marsh Street***

*Please see EPA Picture PB150013*

***Short term schedule of compliance:***

*Salt pile on the north side of Marsh Street will be completely covered with tarps within 60 days of receiving the Order, thereby eliminating contact to stormwater.*

***Cost to manage contact water:***

*Based on the average annual rainfall of 42"/year, with a disposal cost of 10 cents/gallon, the cost to remove and dispose of the approximate 8.5Mgallons/year of stormwater would be ~\$850K, which is economically infeasible.*

***Cost to tarp piles***

*~50 cents/ton*

*Cargil Salt=~100K/tons*

*Total tarping cost=\$50K*

*The Port Newark Terminal proposes that during salt season, as the pile is being built and it is uncovered, the stormwater will be contained and managed. Once the salt season is over and the salt pile is completely tarped there will be no contact water, therefore we propose to direct discharge by leaving the berm valve open. In either case, there is no environmental impact and it is financially feasible.*

***II. Additional BMPs:***

*On page 4, section B, number 11 of the administrative EPA identified the following areas where additional BMPs are required to reduce or eliminate the introduction of pollutants into the receiving water:*

- a. Spilled salt adjacent to and on top of a storm drain on an unnamed street west of the salt pile*
- b. Salt tracking on an unnamed street west of the salt pile; and*

*c. Unknown yellow foam on ground at the facility on the north side of Marsh Street and north of the salt pile*

*A. Spilled salt adjacent to and on top of a storm drain on an unnamed street west of the salt pile*  
*BMP 1- Prevent spillage from loaded trucks by not allowing any overfilling of trucks.*

*BMP 2-If spillage is observed it will be cleaned up as soon as possible. Remove salt from area and return to the stockpile.*

*Schedule and costs: Immediate Implementation and \$0 cost*

*B. Salt tracking on an unnamed street west of the salt pile*  
*BMP 1-Prevent spillage from loaded trucks by not allowing any overfilling of trucks.*

*BMP 2-If spillage is observed it will be cleaned up as soon as possible.*

*Schedule and costs: Immediate Implementation and \$0 cost*

*C. Unknown yellow foam on ground at the facility on the north side of Marsh Street and north of the salt pile*

*Schedule: The yellow foam is an additive that most street salt is treated with in order to prevent the salt from solidifying and thereby making it unsafe to handle. The drain identified within the containment area of salt piles will be covered by a magnetic stormdrain cover and protected with a steel plate within 60 days from receiving the Order. The plan to cover the piles and close off storm drain will resolve this issue. Salt piles will be tarped within 60 days from receiving the Order.*

*Cost to cover nearby drain inside containment area:*


*~\$150/drain*

*1 drain*

*Total cost=\$150*

We look forward to discussing our plan, as outlined in this letter, with both the EPA as well as the NJDEP. We, of course, reserve all of our rights as we work with EPA and NJDEP, to achieve environmental compliance throughout the Port. I suggest a meeting to review our plan at your convenience. In the meantime, if you have any questions or concerns about the information submitted herein please do not hesitate to call either myself at 973-344-3700 or our Regional EHS Manager, Claudine Sivilla at 718-344-8238.

Sincerely,



Scott Rudolph

Terminal Manager

Cc: Brian McLendon, Supervisor Bureau of Nonpoint Pollution Control-NJDEP

Richard Paul, Northern Bureau of Water Compliance and Enforcement-NJDEP

Manuel Nolau, Northern Bureau of Water Compliance and Enforcement-NJDEP